CCSD's

DISABILITY INFORMATION SHEET

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In this fifth edition of **CCSD's Disability Research Information Sheets**, we continue to examine wages and labour market statistics for persons with disabilities using Statistics Canada's Survey of Labour and Income Dynamics (SLID). Continuing with the information provided in Sheet No. 4, we go beyond questions concerning labour force participation patterns – Are persons with disabilities getting as much work? – to focus on wages and the economic security derived from employment – Are persons with disabilities getting good jobs that lead to economic security? As well, we look at the movement of employed persons with and without disabilities within broad occupational groupings and changes in the rate of involuntary part-time work.

Wage Mobility

In Information Sheet No. 4, we provided cross-sectional data from the SLID which highlighted the lower wage rates of persons with disabilities. In this edition, rather than looking at wage rates for a single year, using the longitudinal data from the SLID we examine the movement in relative wage rates from the beginning of the interval in 1993 to the end in 1998. Using the composite hourly wage rates of all wage earners,[1] we divided workers into three equal groups according to their composite hourly wage rates in 1993 and in 1998. This provided us with:

- the top-third of wage earners
- the middle-third of wage earners
- the bottom-third of wage earners.

We then looked at where workers were located in 1993 and 1998 within those three groups, according to their pattern of disability. Did workers with particular patterns of disability tend to remain in the same group of wage earners in both years, or did they move among the groups? Is there evidence of wage mobility? Are workers with certain disability patterns more likely than others to be trapped in the bottom-third of all wage earners or more likely to experience downward wage mobility?

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[1] See Information Sheet No. 4 for an explanation of composite hourly wage rates and how they are calculated.

The results of this analysis are summarized in Table 1. The workers with the most enviable wage profile were those who began the six-year interval in the top-third of all wage earners in 1993 and ended up still in the top-third in 1998. As was seen from the data in Information Sheet No. 4, it is no surprise that workers with no disability in any year were the most likely to have this wage profile. Among that group, 25.5% remained stable in the top-third of all wage earners. Workers who had a disability throughout the entire interval were the least likely to remain stable in the top-third, with only 16.3% in this category.

Table 1 **Wage Mobility, 1993 to 1998, by Disability Pattern**

Position relative to other wage earners	No disability any year	Became non-disabled	Became disabled	Cycles in and out	Disabled throughout
Top-third, stable	25.5%	23.9%	20.2%	20.4%	16.3%
Middle-third, stable	19.4%	25.7%	16.2%	21.0%	19.6%
Bottom-third, stable	23.4%	23.4%	24.2%	29.5%	27.3%
Upward wage movement	16.1%	**	14.2%	12.9%	17.2%
Downward wage movement	15.6%	17.6%	25.3%	16.2%	19.6%
TOTAL	100.0%	100.0%	100.1%	100.0%	100.0%

Notes: Includes persons with a job in 1993 and 1998, and excludes full-time students.
Wage mobility as captured here is based on a worker's wages (using composite hourly wage rates) relative to other wage earners.
Top-third, stable: Individual was in the top one-third of all wage earners in both 1993 and 1998.
Middle-third, stable: Individual was in the middle one-third of all wage earners in both 1993 and 1998.
Bottom-third, stable: Individual was in the lowest one-third of all wage earners in both 1993 and 1998.
Upward wage movement: Individual's wages rose from the bottom- or middle-third of all wage earners in 1993, to the middle- or top-third of all wage earners by 1998.
Downward wage movement: Individual's wages dropped from the top- or middle-third groups of all wage earners in 1993, to the middle- or bottom-third groups by 1998.
** Unstable estimate due to small sample size
Source: Prepared by the Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics.

Persons who experienced cycles into and out of disability and those who had a disability throughout the six-year interval were the most likely to be trapped in the lower-third of wage earners: 29.5% of those who experienced cycles in their disability and 27.3% of those with a disability throughout the interval remained stable in the bottom-third of wage earners in both 1993 and 1998. Workers with no disability in any year and those who

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became non-disabled were the least likely to be trapped in the lower-wage group, with only 23.4% of both types remaining stable in the bottom-third of all wage earners in both 1993 and 1998.

Downward movement in wages relative to other wage earners was most likely to be experienced by those who acquired a disability over the six-year interval (25.3%), and it was least likely among those who had no disability in any year over that period (15.6%). It is interesting to note that those who acquired a disability during the six-year interval were even more likely to experience downward movement in their wages than those who were disabled throughout the entire period (19.6%) and those with cyclical disabilities (16.2%). In fact, workers with cyclical disabilities experienced almost as little downward wage movement as those with no disability in any year. However, it must be recognized that those who experienced cyclical disabilities were also the most likely to be trapped in the lowest-third group of wage earners. In effect, their wages were already so low at the start of the survey interval, there wasn't much further for them to fall.

Let's take a step back for a minute. In a previous Information Sheet (No. 2, Table 1), we examined patterns of disability over this six-year period in terms of loss of employment. With those data, only persons who entered the six-year interval with employment were included in the analysis, and as we saw, those without any disability in any year were the most likely to avoid job loss. Workers with cycles of disability and those with a disability throughout the interval were the most likely to lose their employment over the survey period.

The data presented here, however, examine the relative wage rates of those who began and ended the interval with employment. If, as we saw in Information Sheet No. 4, the employment losses experienced by those with cyclical or constant disabilities were more likely among those in lower-paying jobs, and persons with disabilities were more likely to be working in lower-paying jobs, then we would expect to see that workers who remained employed at the end of the six-year interval were more likely to have less-precarious jobs, with slightly higher rates of pay. This means that the differences summarized here in Table 1 tell only part of the story. They fail to capture the fact that a higher proportion of persons affected by disability had no wages at all at the end of the interval.[2] It seems highly likely that these persons lost their jobs at some point during this period, and they had not regained paid employment by 1998.

So who managed to avoid poverty between 1993 and 1998?

While it seems that persons affected by disability during the six-year interval were less likely than those unaffected by disability to have enviable wage profiles when they had employment, how did they fare overall in terms of their economic security? In Chart 1, we

[2] Readers interested in more information about labour market trends should consult *Falling Behind: The State of Working in Canada, 2000*, by Andrew Jackson and David Robinson, published by the Canadian Centre for Policy Alternatives.

focus on a commonly used measure of poverty: the low income cut-off or LICO.[3]

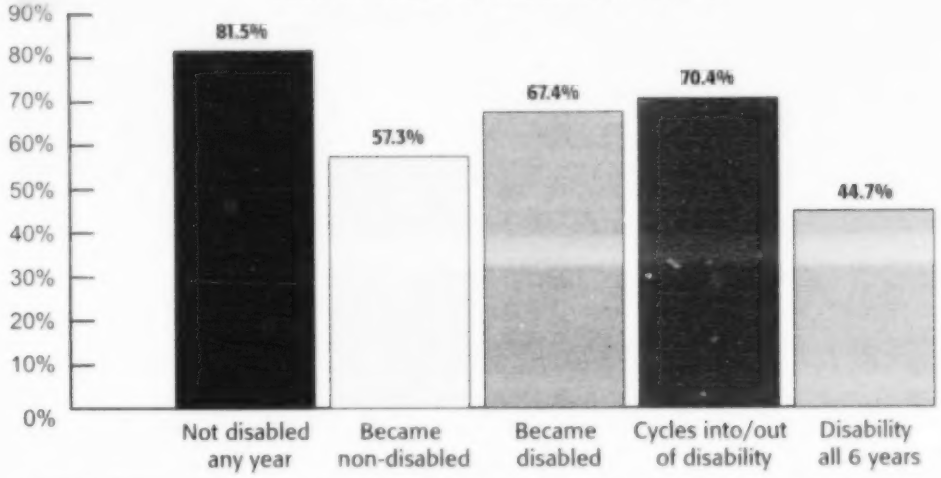
In Chart 1, we examine persons who were of working age (16 to 64 years old) throughout the entire six-year interval and were not full-time students. The proportion of persons who remained above LICO (or did not fall into poverty) in each of the six years from 1993 to 1998 are summarized by disability pattern. As can be seen in the Chart, those who had no disability in any year obviously experienced the greatest economic security: 81.5% remained above LICO for all six years. Those who had a disability in all six years were the least likely to escape poverty: only 44.7% of that group were above LICO throughout the interval.

Economic Security and Good Wage Profiles: An experimental look

It is important to remember that LICO is a family-based measure, thus we are examining the economic security of the families in which these individuals live. For those affected by disabilities, having low wages or a lack of paid employment can seriously affect the family income. In other cases, however, a lack of paid employment or low wages earned by a person with disabilities can be offset by the income of another family member. One reason

Chart 1

Per cent above LICO all Six Years, 1993 to 1998, by Disability Pattern



Notes: Includes persons aged 16 to 64 during the entire six-year survey interval who were not full-time students.
LICO refers to Statistics Canada's Low Income Cut-off.
Source: Prepared by the Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics.

[3] LICO refers to Statistics Canada's Low Income Cut-off. Although LICO is widely used as an indicator of poverty, it is not defined as such by Statistics Canada. The low income cut-offs are based on family income and are adjusted for the size of the family and the size of the community in which they live. LICOs can be defined in terms of "before-tax" or "after-tax" family incomes, where adjustments provided by the tax system have been taken into account. Persons with family incomes below LICO are defined as living in "straitened circumstances." The data presented here use "after-tax" family income measures.

for focussing on wage mobility is to address the capacity of individuals to improve their overall economic security. In other words, a good wage profile is even more important to have if it keeps you out of poverty.

In order to combine our focus on both wage profiles and overall economic security, we created an experimental variable that we have called "economic success." This variable attempts to measure an enviable wage profile along with overall economic security.

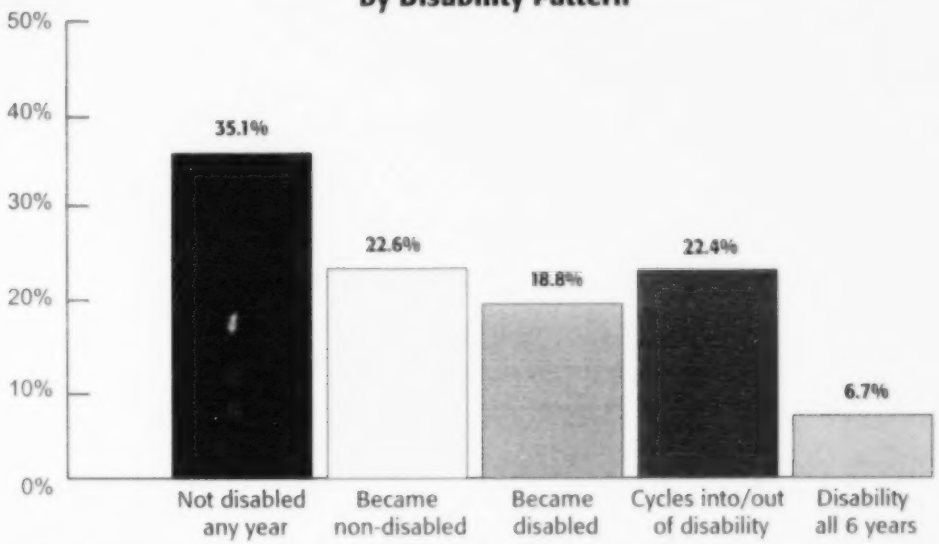
Individuals were deemed to have had economic success if their wage profiles were in the top-third or middle-third groups in both 1993 and 1998 – i.e., stable – or if they experienced upward wage mobility between 1993 and 1998. They also had to be above LICO in all six years of the interval. In other words, they had to have a fairly good wage profile and to have escaped poverty throughout the survey interval in order to be considered an economic success.

Chart 2 summarizes this new experimental variable of economic success, according to disability pattern. To be included in this chart, individuals had to be of working age throughout the entire six-year interval, they had to be employed in 1993 and in 1998, and they could not be full-time students. In effect, this was the population most likely to be able to derive their economic security through the labour market.

Given the data already presented, it is not surprising that those with no

Chart 2

Economic Success,*1993 to 1998, by Disability Pattern



Notes: All respondents had a job in 1993 and 1998 and were not full-time students.
* Economic Success is defined here as follows: the person's family income never dropped below LICO between 1993-1998, and their composite hourly wage rate was in the middle-third or top-third in both 1993 and 1998 or they experienced upward wage mobility between 1993 and 1998.
Source: Prepared by the Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics.

disability in any year over the survey period were the most likely to have achieved economic success (35.1%). But even this proportion seems low, given the earlier finding that 81.5% of those without any disability remained above the LICO during this period. It seems that the additional condition for this variable – having a reasonably good wage profile – makes a very large difference indeed.

Looking back at Table 1, we note that 61% of those with no disability had an enviable wage profile as defined here – that is, their wages were stable in the top-third or middle-third groups, or they experienced upward wage mobility. However, when we put both the two conditions together – having the economic security of a job and having a good wage profile – many fewer people achieved economic success. Nonetheless, those with no disability (35.1%) were about five times more likely than those with a disability throughout the entire interval (6.7%) to have achieved economic success as defined here.

Occupational Mobility

In the final part of this Information Sheet, we examine broad occupational groupings and mobility among the groups between 1993 and 1998, according to disability pattern. Table 2 summarizes the movement between two very broad occupational groups. Using the Pineo-Porter-McRoberts occupational categories, workers were divided into two basic groups:

The Professional/Managerial Group:
- professionals and semi-professionals
- managers at all levels

The Non-managerial Worker Group:
- skilled, semi-skilled, and unskilled workers with no managerial roles

The vast majority of employed persons experienced very little mobility between these two broad occupational groups. From 1993 to 1998, those with a disability in all six years were the most likely to remain Non-managerial Workers (63.2%). Those who became non-disabled (45.7%) and those with no disability (47.2%) were the least likely to remain in this category. They were also the most likely to remain in the Professional/Managerial category: 41.1% for those who became non-disabled, and 42% for those who did not have a disability. The workers least likely to remain in the Professional/ Managerial category were those who became disabled (30%), those with a disability in all six years (33.1%) and those with cycles into and out of disability (35.4%).

Among non-managerial workers in 1993, movement into professional/ managerial occupations was most likely among workers with no disability (7.2%) and least likely among those with cycles of disability (3.6%) and those with a disability in all six years (although in this latter group, the sample size is too small to release an estimate).

While these data do not capture the more detailed mobility patterns, particularly within the non-managerial worker group, they do provide evidence that those affected by disability are much less likely to be in positions of authority or to enjoy the autonomy typically associated with professional occupations.

Table 2 **Occupational Mobility, 1993 to 1998, by Disability Pattern**

	Not disabled any year	Became non-disabled	Became disabled	Cycles into/out of disability	Disability all 6 years
Remained in Professional/ Managerial group	42.0%	41.1%	30.0%	35.4%	33.1%
Moved into Professional/ Managerial group	7.2%	6.4%	6.2%	3.6%	**
Remained in Non-managerial Workers' group	47.2%	45.7%	60.3%	57.7%	63.2%
Moved into Non-managerial Workers' group	3.6%	**	**	3.3%	**
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%

Notes: Occupational groupings are based on the Pineo-Porter-McRoberts classification.
Professional/Managerial group includes professional, semi-professional and all levels of managers; Non-managerial Workers group includes unskilled, semi-skilled and skilled workers with no managerial roles.
** Unstable estimate due to small sample size.
Source: Prepared by the Canadian Council on Social Development using Statistics Canada's Survey of Labour and Income Dynamics.

And now for something completely different

We know that some persons with disabilities seek part-time work because of limitations on the length of their workday. However, some may accept part-time work only if full-time work is not available (i.e., "involuntary" part-time workers). Charts A and B summarize the percentage of involuntary part-time workers with and without disabilities by age group. There are a number of patterns evident in these data:

- In 1993, the rate of involuntary part-time work was higher among persons without disabilities than among those with disabilities in every age group for which data can be released. By 1995, however, the trend had switched, and the rate was higher among persons with disabilities.

- By 1998, the rate of involuntary part-time work among persons aged 16 to 34 remained very slightly higher for those with disabilities than for those without. In the older age groups, however, the economic recovery period saw a return to those without disabilities having a higher rate of involuntary part-time work.

- These trends suggest that during better economic times, part-time workers with disabilities are less likely to be considered "involuntary part-time workers" – that is, they are more likely to work part-time for reasons other than an inability to find full-time work. However, when economic times are bad, workers with disabilities are more likely than those without disabilities to accept part-time work because it is all that they can find.

Chart A

Rate of Involuntary* Part-time Work, Persons with and without Disabilities, by Age Group, 1993, 1995 and 1998

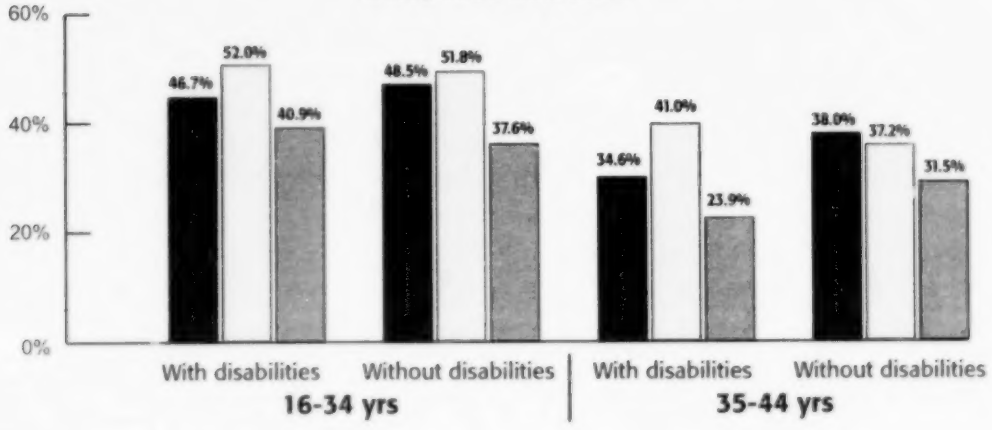
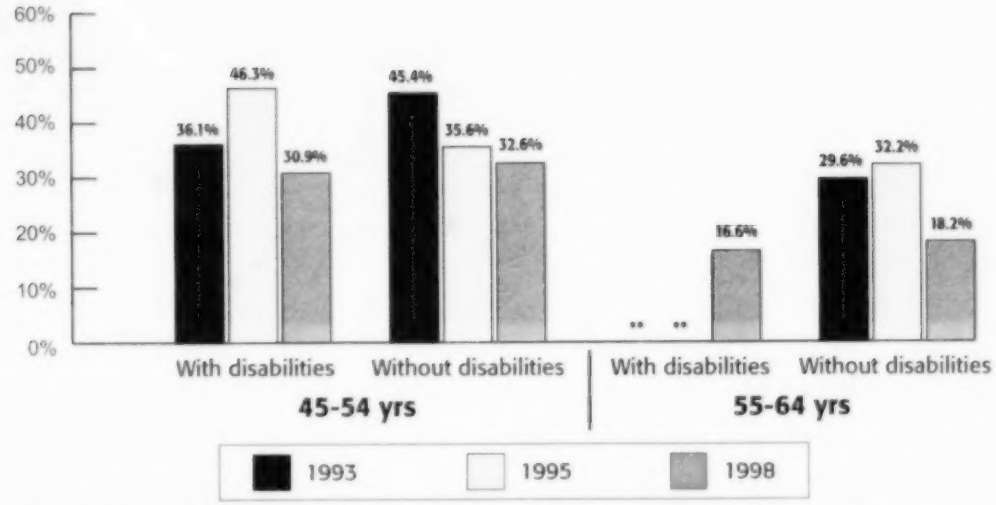


Chart B



Notes: Includes people aged 16 to 64 working less than 30 hours per week; does not include full-time students.
* Per cent of part-time workers who wanted full-time work but could only find part-time work.
** Numbers suppressed due to small sample size.
Source: Prepared by the CCSD using Statistics Canada's Survey of Labour and Income Dynamics.

In our next ***Disability Research Information Sheet***, we will focus our attention on information technology, and examine access to and use of a variety of forms of technology. And in a subsequent Information Sheet, we will examine information technology on-the-job.